

5/3/16

10:59 A.M.

Chapter No. 942  
16/HR31/R628  
EW 1GV

## ***HOUSE BILL NO. 1587***

Originated in House



Clerk

HOUSE BILL NO. 1587

AN ACT TO AMEND CHAPTER 824, LOCAL AND PRIVATE LAWS OF 1992, AS AMENDED BY CHAPTER 912, LOCAL AND PRIVATE LAWS OF 1997, TO EXTEND THE DATE OF REPEAL FROM JULY 1, 2017, TO JULY 1, 2023, ON THE PROVISIONS OF LAW THAT LEVY THE TOURISM AND INDUSTRY PROMOTION TAX UPON THE GROSS PROCEEDS DERIVED FROM HOTEL AND MOTEL ROOM RENTALS AND RESTAURANT SALES IN THE CITY AND CREATE THE CITY OF BATESVILLE, MISSISSIPPI, AND SOUTH PANOLA AREA CHAMBER OF COMMERCE TOURISM AND INDUSTRIAL DEVELOPMENT COMMITTEE; TO PROVIDE FOR AN INDIRECT REFERENDUM ON THE CONTINUATION OF THE LEVYING OF SUCH TAX; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

**SECTION 1.** Chapter 824, Local and Private Laws of 1992, as amended by Chapter 912, Local and Private Laws of 1997, is amended as follows:

Section 1. As used in this act, the following terms shall have the following meanings unless a different meaning is clearly indicated by the context in which they are used:

- (a) "City" means the City of Batesville, Mississippi.
- (b) "Governing authorities" means the governing authorities of the City of Batesville, Mississippi.

(c) "Hotel" and "motel" shall mean a place of lodging with more than six (6) rental units that at any one (1) time will accommodate transient guests on a daily or weekly basis and that is known to the trade as such.

(d) "Restaurant" means and includes all places where prepared food is served for consumption, at which location the primary source of income (fifty percent (50%) or greater) is the sale of prepared food for consumption. This includes places that serve such food inside, at drive-in facilities or at drive-up windows.

(e) "Committee" shall mean the City of Batesville, Mississippi, and South Panola Area Chamber of Commerce Tourism and Industrial Development Committee created by this act.

Section 2. There is hereby created the City of Batesville, Mississippi, and South Panola Area Chamber of Commerce Tourism and Industrial Development Committee to be composed of five (5) members to be constituted and appointed as provided in Section 3 of this act. From and after the effective date of House Bill No. 1837, 1997 Regular Session, the City of Batesville, Mississippi, and South Panola Area Chamber of Commerce Tourism and Industrial Development Committee shall be abolished.

Section 3. The city may take such action as it deems necessary relating to the establishment, promotion and development of tourism, economic development and industry and related matters within the city and the surrounding area. The city is authorized

to contract for the furnishings, equipment and operation of any and all facilities necessary or useful in the promotion of tourism and industrial development and to receive and expend, subject to the provisions of this act, revenues from any source.

Section 4. For the purpose of providing funds for the promotion of tourism, economic development and industry in the city and the surrounding area, the governing authorities are authorized to, in their discretion, levy and collect from the persons hereinafter specified a tax, which shall be in addition to all of the taxes and assessments now imposed, and the tax shall be imposed on any one (1) person, one or more persons or all persons listed below, as hereinafter provided, to wit:

(a) A tax upon every person, firm or corporation operating a motel or hotel in the city at a rate not to exceed one percent (1%) of the gross proceeds of room rentals for each such hotel or motel. Such tax shall be in addition to all other taxes and assessments now or hereafter imposed. From and after the effective date of House Bill No. 1837, 1997 Regular Session, such tax may be increased to a rate not to exceed three percent (3%) of the gross proceeds of such hotel or motel room rentals.

(b) A tax upon every person, firm, or corporation operating a restaurant in the city at a rate not to exceed one percent (1%) of the gross proceeds of the sales of such restaurant. Such tax shall be in addition to all other taxes and assessments now or hereafter imposed. From and after the

effective date of House Bill No. 1837, 1997 Regular Session, such tax may be increased to a rate not to exceed three percent (3%) of the gross proceeds of such restaurant sales.

(c) Persons, firms or corporations liable for the levy imposed herein shall add the amount of the levy to the sales price of the rooms and products set out above and shall collect, insofar as is practicable, the amount of the tax due by them from the person receiving the services or product at the time of payment therefor.

(d) Such tax shall be collected by and paid to the \* \* \* Department of Revenue on a form prescribed by the \* \* \* Department of Revenue in the manner that state sales taxes are computed, collected and paid; and the full enforcement provisions and all other provisions of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as necessary to the implementation and administration of this act.

(e) The proceeds of such tax, less three percent (3%) thereof which shall be retained by the \* \* \* Department of Revenue to defray the cost of collection, shall be paid to the governing authorities on or before the fifteenth day of the month following the month in which collected.

(f) The proceeds of such tax shall not be considered by the city as general fund revenues but shall be dedicated to and used by the governing authorities solely for the purpose of carrying out programs and activities designed to attract visitors,

tourists and industry in order to promote and enhance the tourism, industry and economic development of the city and the surrounding area.

Section 5. (a) Before the tax authorized by this act shall be imposed or before the tax rate in effect on the effective date of House Bill No. 1837, 1997 Regular Session, may be increased, the governing authorities shall adopt a resolution declaring their intention to levy the tax or tax increase, as appropriate, setting forth the amount of such tax or tax increase, as appropriate, and establishing the date on which this tax or tax increase, as appropriate, initially shall be levied and collected. Notice of the tax or tax increase, as appropriate, shall be published once each week for at least three (3) consecutive weeks in a newspaper having a general circulation in the city, the first publication of which shall be made not less than twenty-one (21) days prior to the date on which the tax or tax increase, as appropriate, initially shall be levied and collected. If, within the time of giving notice, twenty percent (20%) or fifteen hundred (1500), whichever is less, of the qualified electors of the city shall file a written petition against the levy of such tax or tax increase, as appropriate, then such tax or tax increase, as appropriate, shall not be levied unless authorized by a majority of the qualified electors of the city voting at an election to be called and held for that purpose. At least thirty (30) days prior to the effective date of the tax or tax increase, as appropriate,

as herein provided, the governing authorities shall furnish to the  
\* \* \* Department of Revenue a certified copy of the resolution  
evidencing such tax or tax increase, as appropriate.

If the tax increase authorized in House Bill No. 1837, 1997  
Regular Session, is rejected by the qualified electors of the city  
pursuant to an election held under the provisions of this section,  
the currently existing tourism tax, as authorized under Chapter  
824, Local and Private Laws of 1992, shall continue in full force  
and effect.

(b) If the tax levied under this chapter was imposed  
without a vote of the electorate, the governing authorities shall,  
within sixty (60) days after the effective date of House Bill No.  
1587, 2016 Regular Session, by resolution spread upon its minutes,  
declare the intention of the governing authorities to continue  
imposing the tax and describe the tax levy including the tax rate,  
annual revenue collections and the purposes for which the proceeds  
are used. The resolution shall be published once a week for at  
least three (3) consecutive weeks in a newspaper published or  
having a general circulation in the municipality, with the first  
publication to be made within fourteen (14) days after the  
governing authorities adopt the resolution declaring their  
intention to continue the tax. If, on or before the date  
specified in the resolution for filing a written protest, which  
date shall be not less than forty-five (45) days and not more than  
sixty (60) days after the governing authorities adopt the

resolution, twenty percent (20%) or one thousand five hundred (1,500), whichever is less, of the qualified electors of the municipality file a written protest against the imposition of the tax, then an election upon the levy and assessment of the tax shall be called and held as in the manner provided for in subsection (a) of this section, with the election to be conducted at the next special election day as such is defined by Section 23-15-833, Mississippi Code of 1972, occurring more than sixty (60) days after the date specified in the resolution for filing a written protest. If the requisite number of qualified electors vote against the imposition of the tax, the tax shall cease to be imposed on the first day of the month following certification of the election results by the election commissioners of the municipality to the governing authorities. The governing authorities shall notify the Department of Revenue of the date of the discontinuance of the tax and shall publish sufficient notice thereof in a newspaper published or having a general circulation in the municipality. If no protest is filed, then the governing authorities shall state that fact in their minutes and may continue the levy and assessment of the tax.

This subsection (b) shall not apply if the revenue from the tax authorized by this chapter has been contractually pledged for the payment of debt incurred prior to the effective date of House Bill No. 1587, 2016 Regular Session, until such time as the debt is satisfied. Once the debt has been satisfied, the governing



authorities, shall within sixty (60) days, adopt a resolution declaring the intention of the governing authorities to continue the tax which shall initiate the procedure described in subsection (a) of this section.

Section 6. Accounting for receipts and expenditures of the funds herein described shall be made separately from the accounting of receipts and expenditures of the general fund and any other funds of the city. The records reflecting the receipts and expenditures of the funds prescribed herein shall be audited annually by an independent certified public accountant, and the accountant shall make a written report of his audit to the governing authorities. Such audit shall be made and completed as soon as practicable after the close of the city's fiscal year, and expenses of such audit shall be paid from the funds derived pursuant to provisions of this act.

\* \* \* Section 7. This act shall stand repealed from and after July 1, \* \* \* 2023.


\* \* \*

**SECTION 2.** This act shall take effect and be in force from  
and after its passage.

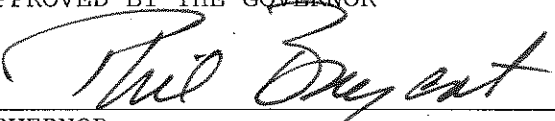
PASSED BY THE HOUSE OF REPRESENTATIVES  
April 6, 2016

  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE  
April 16, 2016

  
PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR

  
GOVERNOR  
May 3, 2016  
10:59am